

ASX Announcement

8 June 2023

LATIN INCREASES CORNERSTONE INVESTMENT IN SOLIS MINERALS TO 17.79%

HIGHLIGHTS

- Latin acting as a cornerstone investor, has committed to invest \$3m into Solis Minerals Limited at \$0.55 per share as part of Solis's oversubscribed \$8m capital raise, announced today.
- Latin's interest will increase by 4.66% to 17.79% and will now hold ~13,392,703 shares in Solis (post completion).
- Funds raised will be applied towards advancing exploration of Solis's recently acquired Jaguar Lithium Project.
- The Jaguar Lithium Project contains significant prospective pegmatites and Latin is confident that Solis will deliver on the full potential of the project.

Latin Resources Limited (ASX: LRS) ("Latin" or "the Company") is pleased to provide an update on its substantial 13.13% holding in Solis Minerals Limited (ASX: SLM) ("Solis").

Today, Solis announced¹ that it has successfully received firm commitments to raise approximately A\$8 million (before costs) through a placement of new fully paid ordinary shares ("New Shares") to sophisticated and professional investors ("Placement").

Acting in its capacity as a cornerstone investor, the Company, alongside sophisticated and professional investors, has committed to participate in the Placement with an investment of \$3m, subscribing to ~5,454,545 fully paid ordinary shares in Solis at \$0.55 per share, which is expected to increase the Company's interest in Solis from ~13.13% to ~17.79% (post completion). The Company's participation in the Placement will be funded from existing cash reserves with the issue of New Shares being subject to Solis shareholder approval at an upcoming general meeting, expected in July 2023.

The Company is in a strong position with \$50.2m in cash and no debt, with the ability to invest in Solis representing a significant value proposition to gain further exposure to the Brazilian lithium market.

Solis intends to apply funds raised from the Placement towards exploration works and associated acquisition fees for Solis's recently acquired Jaguar Lithium Project² ("Jaguar") in Northeast Brazil.

The Jaguar Lithium Project contains significant prospective pegmatite targets² with 4.95% Li₂O returned from rock chip samples and a geological setting consistent with other hard rock lithium provinces in Brazil, notably the Company's Salinas project. Solis expects to commence drilling on Jaguar in June 2023, with Latin intending to support Solis by making available its exploration guidance and country experience.

The Company is confident that Solis will undertake a successful exploration program and deliver on the full potential of Jaguar.

¹ Refer to Solis's ASX Announcement dated 8 June 2023, entitled "Solis Receives Firm Commitments for 8M AUD Placement" for further details

² Refer to Solis's ASX Announcement dated 31 May 2023, entitled "Solis Executes Option to Acquire Lithium Project in Brazil"

Refer to Solis's ASX announcement dated 8 June 2023, entitled "Solis Receives Firm Commitments for 8M AUD Placement" for further details of the Placement.

Latin Resources' Managing Director, Chris Gale commented:

"Latin has a very focused approach in developing its 100% owned Salinas Lithium Project. However, we are delighted to provide support to Solis by way of this cornerstone investment to fund exploration at its recently acquired Jaguar Lithium Project in Brazil. Furthermore, we are pleased to be in a position to provide exploration guidance and country experience to support the team at Solis.

"The opportunity for hard rock lithium in Brazil is significant, and the early mapping of the extensive pegmatite body at Jaguar shows that Bahia State has potential to become a new lithium province. We have great confidence that the Solis team will progress this project to potentially become a Latin 2.0.

"This investment also presents an exciting opportunity for Latin to continue to support the growth of the lithium industry in Brazil, which we believe is on track to be one of the top lithium producing countries in the coming years."

Ends

This Announcement has been authorised for release to ASX by the Board of Latin Resources.

For further information please contact:

Chris Gale
Managing Director
Latin Resources Limited
+61 8 6117 4798

Fiona Marshall
Senior Communications Advisor
White Noise Communications
+61 400 512 109
fiona@whitenoisecomms.com

info@latinresources.com.au
www.latinresources.com.au

About Latin Resources

Latin Resources Limited (ASX: LRS) is an Australian-based mineral exploration company, with projects in South America and Australia, that is developing mineral projects in commodities that progress global efforts towards Net Zero emissions.

The Company is focused on its flagship Salinas Lithium Project in the pro-mining district of Minas Gerais Brazil, where the Company has defined a Maiden Mineral Resource Estimate of 13.3Mt @ 1.2% Li₂O with an exploration target of 22Mt at its Colina Deposit. Latin has appointed leading mining consultant SGS Geological Services to undertake feasibility and metallurgical studies at the Salinas Lithium Project. Latin also holds the Catamarca Lithium Project in Argentina and through developing these assets, aims to become one of the key lithium players to feed the world's insatiable appetite for battery metals.*

The Australian projects include the Cloud Nine Halloysite-Kaolin Deposit. Cloud Nine Halloysite is being tested by CRC CARE aimed at identifying and refining halloysite usage in emissions reduction, specifically for the reduction in methane emissions from cattle.

**For full details of the Colina Deposit MRE and Exploration Target, please refer to ASX Announcement dated 8 December 2022.*

Forward-Looking Statement

This ASX announcement may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Latin Resources Ltd.'s current expectations, estimates and assumptions about the industry in which Latin Resources Ltd operates, and beliefs and assumptions regarding Latin Resources Ltd.'s future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Latin Resources Ltd. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this ASX announcement. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Latin Resources Ltd does not undertake any obligation to update or revise any information or any of the forward-looking statements in this announcement or any changes in events, conditions or circumstances on which any such forward looking statement is based.